

Public and Private Debt

THE net total of public and private debt stood just short of \$2 trillion at the end of 1971. Public debt—liabilities of Federal, State, and local governments and Federal financial agencies—accounted for about 27% percent of total debt, while corporations were liable for about 41 percent of total debt, and individuals, including those owning unincorporated enterprises, were liable for 32 percent of total debt.

The increase in net public and private debt last year was \$152½ billion, substantially more than the 1970 increase of \$120½ billion. The stepup in the pace of debt formation stemmed from: (1) a

sharp rise in the expansion of individual mortgage debt, which totaled \$21½ billion last year as contrasted with \$17 billion in 1970; (2) a stepup in net consumer credit expansion to \$10½ billion in 1971 following a gain of only \$4½ billion in 1970; and (3) a \$25 billion expansion in the net debt of the Federal Government, as contrasted with a \$12 billion rise in 1970.

These expansionary elements were partly offset by a slowdown, from \$8 billion in 1970 to \$1 billion in 1971, in the increase in Federal financial agencies debt, and by a modest slowing in cor-

porate debt expansion to \$53½ billion in 1971 from \$58½ billion a year earlier. Within the corporate total, there was continuing evidence of a refunding of short-term liabilities into longer term debt, as the former rose only about \$15 billion last year while the latter rose \$39 billion.

The tables presented here update the statistics on debt that have appeared in previous May issues of the SURVEY. Revisions have been made in the data for 1967-70. Data back to 1955 are in the May 1970 SURVEY and data for earlier years are in the May 1969 SURVEY.

Net and Gross Public and Private Debt, End of Calendar Year, 1966-71

(Billion dollars)

End of year	Total	Public				Private												
		Total	Federal ¹	Federal financial agencies ²	State and local	Total	Corporate				Individual and noncorporate							
							Total	Long term ³	Short term ⁴		Total	Farm ⁵		Nonfarm mortgage		Other nonfarm		
									Notes and accounts payable	Other		Production	Mortgage	1- to 4-family	Multi-family residential and commercial	Commercial	Financial ⁶	Consumer
Net Public and Private Debt																		
1966.....	1,341.4	287.0	271.5	11.2	304.3	963.5	602.0	231.2	168.5	118.8	446.9	19.1	23.3	219.5	22.0	36.9	24.5	87.6
1967.....	1,448.1	408.8	285.5	9.0	313.4	1,034.3	643.7	244.6	160.6	131.5	490.6	22.6	25.5	222.0	24.9	34.3	29.1	102.1
1968.....	1,535.8	437.1	291.9	21.4	328.0	1,148.2	625.0	259.9	100.0	157.1	550.3	24.3	27.5	244.6	26.4	37.4	33.0	113.2
1969.....	1,728.2	452.4	289.3	30.6	323.0	1,270.8	716.8	307.4	215.6	191.8	650.0	25.0	29.5	261.5	27.4	41.1	33.1	122.5
1970.....	1,849.0	488.7	301.1	33.6	340.3	1,367.3	773.5	341.3	230.4	212.0	658.7	27.5	31.2	274.5	28.3	42.0	34.4	126.8
1971.....	1,996.4	533.8	325.9	35.8	357.7	1,438.0	827.3	350.3	230.2	229.6	695.7	30.0	33.1	299.4	32.9	43.8	35.3	137.2
Gross Public and Private Debt																		
1966.....	1,517.0	484.0	343.5	11.2	309.4	1,043.0	592.1	270.8	189.5	110.0	446.9	19.1	23.3	219.5	22.0	36.9	24.5	87.6
1967.....	1,624.2	491.8	354.9	9.0	317.9	1,144.5	643.8	309.1	199.0	154.9	490.6	22.6	25.5	222.0	24.9	34.3	29.1	102.1
1968.....	1,708.3	522.9	373.7	21.4	328.4	1,273.4	753.1	322.0	100.0	155.1	550.3	24.3	27.5	244.6	26.4	37.4	33.0	113.2
1969.....	1,943.7	549.7	385.0	30.6	327.1	1,434.0	847.9	372.5	258.6	225.8	650.0	25.0	29.5	261.5	27.4	41.1	33.1	122.5
1970.....	2,104.3	591.5	401.4	33.8	351.1	1,512.9	923.2	413.7	264.4	251.0	658.7	27.5	31.2	274.5	28.3	42.0	34.4	126.8
1971.....	2,276.2	646.7	434.2	35.8	371.7	1,629.6	958.9	461.0	264.2	268.7	695.7	30.0	33.1	299.4	32.9	43.8	35.3	137.2

1. Net Federal Government and agency debt is the outstanding debt held by the public as defined in the Budget of the United States Government, Fiscal Year 1961. Gross Federal Government debt consists of the public debt as defined in the Second Liberty Bond Act of 1917, as amended, plus the obligations to the public of Federal agencies in which the Federal Government has a proprietary interest each year.

2. This comprises the debt of federally sponsored agencies, in which there is no longer any Federal proprietary interest. The obligations of the Federal Land Banks and the debt of the Federal Home Loan Banks are included in all years shown in this table, and the debts of the Federal National Mortgage Association, Federal Intermediate Credit Banks and Banks for Cooperatives are included beginning with 1968.

3. Long-term debt is debt having a maturity of 1 year or more, short-term debt is that which will mature within a year.

4. Farm mortgages and farm production loans. Farmers' financial and consumer debt is included in the nonfarm categories.

5. Financial debt is owed to banks for purchasing or carrying securities, customers' debt to brokers, and debt owed to life insurance companies by policyholders.

Sources: U.S. Department of Commerce, Bureau of Economic Analysis; U.S. Treasury Department; U.S. Department of Agriculture; Board of Governors of the Federal Reserve System; Federal Home Loan Bank Board; Federal Land Banks; and Federal National Mortgage Association.